directors referred to at (iii) above, as per provisions of the Companies Act, 1956.

Foreign Exchange Money Market

4437. SHRI GOVINDRAO ADIK : Will the Minister of FINANCE be pleased to state :

(a) in what manner Government keep regulatory control over the Foreign Exchange Money Market in India ;

(b) what structural and functional changes have such foreign exchange money market undergone due to the policy of liberalisation ; and

(c) what is the estimated amount of dealing, in such money market, for the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) The foreign exchange market in India is regulated by the Reserve Bank of India and the changes introduced recently have been included in Chapter 5 of the Exchange Control Manual, 1993 Edition.

(c) The foreign exchange interbank market turnover figures for 1990-91. 1991-92 and 1992-93 are 715116, 1062723 and 1208533 (Rs. crores), respectively.

Technical Problems Faced by Foreign Investor

4438. SHRI V. NARAYANASAMY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that foreign insitutional investors regisering in India are reported to be facing severe technical problems in the form of custodian service and in the area of settlement ; and

(b) if so, what steps Government are taking for removing the technical problems faced by these foreign investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) In the initial stages of investing in India, Foreign Institutional Investors (FIIs) faced difficulties in obtaining efficient custodial services, as considerable paper work was involved in share transfers and a very limited number of custodians were catering to the needs of custodial services of FIIs. The situation has however, considerably improved with Government and the Securities and Exchange Board of India having taken measures to reduce the extensive paper work through the introduction of Jumbo Transfer Deeds to handle bulk transfers of shares and the provision of a facility of consolidated payment of Stamp Duty by Banker's Cheques where bulk transactions occur. Additional custodial services are also being provided by new market entrants.

INVESTMENT IN FOREIGN CURRENCY FUNDS BY BANKS AND DEALERS

4439. SHRI BISHAMBHAR NATH PANDE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India is planning to allow banks and other dealers of foreign exchange to invest in foreign currency funds and borrow from overseas markets to enable them to offer forward covers to the consumers because of growing liberalisation in the banking sector; and

(b) if so, what benefits the banking sector is getting by investing in foreign currency funds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) According to Reserve Bank of India, as of now, no decision has been taken in this regard.

(b) Does not arise.

Rural Credit

4440. SHRI SOM PAL :
SHRI SARADA MOHANTY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government and the Reserve Bank of India are initiating some concrete measures to step up the flow of rural credit and making it simpler, easily available and adequate ;

(b) if so, what are the specific details and targets thereof ; and

(c) what action is proposed to be taken to see that these are implemented and achieved, as envisaged by Government?